

BOSTON REDEVELOPMENT AUTHORITY

REPORT AND DECISION ON THE APPLICATION OF GOVERNOR
APARTMENTS ASSOCIATES FOR THE AUTHORIZATION AND APPROVAL
OF A PROJECT UNDER MASSACHUSETTS GENERAL LAWS (TER.ED.)
CHAPTER 121A AS AMENDED, AND CHAPTER 652 OF THE ACTS
OF 1960, TO BE UNDERTAKEN AND CARRIED OUT BY A LIMITED
PARTNERSHIP ORGANIZED PURSUANT TO M.G.L. C. 109, AND
APPROVAL TO ACT AS AN URBAN REDEVELOPMENT LIMITED
PARTNERSHIP UNDER SAID CHAPTER 121A.

A. The Hearing. A public hearing was held at 2:00 p.m. on July 31, 1980, in the offices of the Boston Redevelopment Authority (hereinafter called the "Authority"), at City Hall, Room 921, Boston, Massachusetts 02201, by the Authority on an Application dated May 12, 1980, (hereinafter called the "Application"), filed by Governor Apartments Associates for authorization and approval of a redevelopment project under Chapter 121A of the General Laws of the Commonwealth of Massachusetts and Chapter 652 of the Acts of 1960, as amended, (hereinafter called the "Project"), due notice of said hearing having been given previously by publication on July 21, 1980, and July 28, 1980, in the Boston Herald American, a daily newspaper of general circulation published in Boston and mailing postage prepaid in accordance with Rule 4 of the Rules and Regulations of the Authority for securing approval of Chapter 121A projects, and in accordance with the provisions of Section 13 of Chapter 652 of the Acts of 1960, as amended. Robert L. Farrell, Chairman of the Authority, James G. Colbert, Joseph J. Walsh, James K. Flaherty, and James E. Cofield, Jr., members of the Authority, were present at the hearing.

B. The Project. The proposed development area is located on six contiguous parcels of property upon which there are situated six (6) contiguous buildings, numbered 193-213 Kelton Street, in the Brighton District of Boston as shown on a location map annexed to the Application as Appendix I. The Project site fronts on Kelton Street and is bound

by Allston Street and a public passageway from Kelton Street to Woodstock Avenue and Allston Street, which passageway provides vehicular access to the rear of the site. The entire site contains approximately 32,000 square feet. A site plan of the Project is annexed to the Application as Appendix II.

The Project for which the Authority's authorization and approval is sought consists of the acquisition of the land and buildings by the Applicant, and the rehabilitation, operation and maintenance thereon of 87 dwelling units. All of the units in the proposed Project will receive rental assistance under Section 8 of the U.S. Housing Act of 1937, as amended.

The Project will consist of six (6) contiguous buildings with five (5) interior courtyards fronting on Kelton Street. The project will contain 87 dwelling units, consisting of 5 efficiency apartments, of which 3 are designed specifically for elderly occupancy, 57 one-bedroom apartments, of which 29 are specifically designed for elderly occupancy, and 25 2-bedroom apartments, of which 12 are specifically designed for elderly occupancy, and appurtenant facilities for laundry room and open space. Ten per cent of the units will be designed for handicapped persons, and the design of the Project will include ramps and other necessities for the handicapped.

All of the units will be equipped with carpeting, and the newest kitchen equipment, including electric ranges, refrigerators, dishwashers, disposals and fans. Each unit will be individually metered for electricity usage. Other tenant amenities include a laundry room, five (5) interior courtyards, a central trash chute and compactor, and community room.

The Project is to be used solely for residential purposes. The occupants of the Project shall be evenly divided between senior citizens eligible to occupy 44 units and families qualifying for the remaining 43 units. In each case occupants will be persons or families meeting the income eligibility tests of the Section 8 program.

Although the Project will not provide private parking spaces, it is contemplated that the residents using private transportation will utilize on-street parking. Since 44 dwelling units out of a total of 87 will be occupied by elderly residents, the need for additional parking spaces outside the Project Area is minimal. The Project is located on MBTA surface routes and is accessible from the Green Line by these routes, and therefore the Project is well serviced by public transportation. It is the Applicants' belief that due to the reduction in the number of housing units from 113 to 87, and with the availability of public transportation, the Project will not adversely impact upon the traffic and parking situation in the area.

C. Authority Action. In passing upon the Application, the Authority has considered the Application itself, all documents, plans and exhibits filed therewith or referred to therein, the oral evidence presented at the hearing, the exhibits offered in evidence at the hearing, and arguments and statements made at the hearing.

D. Project Area. The Project as defined in the Application constitutes a "Project" within the meaning of Section 1 of Chapter 121A of the General Laws, providing, as it does, for the acquisition, rehabilitation and construction in a substandard and decadent area of decent, safe, and sanitary housing for the low income elderly and families, all receiving Section 8 rental assistance.

The Project Area constitutes a decadent and substandard area as defined in G.L. Chapter 121A. All of the buildings require complete rehabilitation in order to return them to acceptable residential use. The conditions that exist at present in the Project Area are detrimental to the health, safety and sound growth of the Brighton community. An engineering report by Boston Architectural Team, Inc., Project Architect, and photographs of the site are annexed to the Application and marked Appendix IV. The Project Area is not a part of an area which has previously been declared a blighted open, decadent or substandard area.

The Site would not be developed without the real estate taxes being limited to a percentage of the project's estimated gross annual income, evidenced by the requirement of the mortgage lender attached to the Application. Percentage levels as a basis for taxation can only be lawfully agreed to by the City of Boston under G.L. Chapter 121A and Chapter 6A. These conditions and other factors referred to in the Application and this Report and Decision warrant the carrying out of the Project in accordance with Chapter 121A.

For these reasons it is found that the Project Area is a decadent and substandard area within the meaning of Chapter 121A, as amended. It is unlikely that the conditions will be remedied by the ordinary operations of private enterprise.

The Project will provide substantial financial return to the City of Boston. The amounts to be paid in lieu of real estate taxes by the Applicants are set forth in the Application. There shall be paid to the City of Boston a percentage payment in lieu of real estate taxes, in each of the forty (40) calendar years after approval of the Project.

E. Cost of the Project. In the opinion of the Authority, the cost of the Project has been realistically estimated in the Application and the Project is practicable.

The minimum construction cost of the Project is expected to be approximately \$2,679,026. It is anticipated that the construction loan will be made by the Massachusetts Housing Finance Agency (MHFA) at a rate of interest one-half of one per cent above the cost of money borrowed by MFHA to make such loan. A copy of the MHFA commitment is annexed hereto and included in Appendix V. The Applicant intends to apply for a permanent mortgage to the Government National Mortgage Association (GNMA) under the "Tandem" program pursuant to which the permanent interest rate on the 40 year mortgage will be seven and one-half per cent (7 1/2%). An application for such permanent mortgage will be made subsequent to the issuance by FHA of a feasibility letter for the Project.

It is contemplated that the 121A Entity of which the Applicants will be general partners, will be formed and that approximately 98% of the interest in the partnership will be allocated to a person or persons not now known, which person or persons will be admitted as limited partners, in consideration of their agreement to contribute capital to such limited partnership.

An application has been made by the Applicant to HUD for the issuance of mortgage insurance in an amount equal to 90% of the total replacement cost of the Project. The total replacement cost of the Project and the loan amount for permanent financing as submitted to HUD are delineated on Appendix V annexed hereto.

Equity capital will be raised by the 121A Entity through the admission of limited partners in exchange for capital contributions.

In addition the General Partner of the 121A Entity will contribute development services to the Project valued at \$248,738.

There are not other amounts to be raised by the 121A Entity in addition to those raised by mortgage loan and limited partner capital contributions as outlined heretofore.

The amount of shares or other financial interests in the limited partnership which is to be issued, created or transferred in payment for services is described in the Limited Partnership Agreement annexed to the Application as Appendix VIII.

The Applicant will finance approximately 90% of the cost of the Project with mortgage financing and approximately 10% with non-institutionally supplied equity funds. Both the construction and permanent mortgage loans for the Project will be insured by the Federal Housing Administration (FHA) under the 221(d)(4) program. Applicants have applied to FHA for a firm commitment for such insurance. A copy of the application is annexed to the Application as Appendix V. A condition of said HUD subsidy is that the Applicant receive a 121A determination for the Project and that said determination contain provisions for a contract under Section 6A of General Laws, Chapter 121A.

The following are all the persons, natural or corporate, who, prior to the completion of the Project, have or will have, directly or indirectly, any ownership interest in the Project:

Governor Apartments Associates and its General
and Limited Partners;

Massachusetts Housing Finance Agency

Government National Mortgage Association

Federal Housing Administration

United States Department of Housing and Urban
Development (HUD)

Experience with similar financing and organization methods persuades the Authority that the financial program is realistic.

F. Consistency with Master Plan. The Project does not conflict with the Master Plan for the City of Boston as the Project Area comes within a classification in the Master Plan which permits buildings and uses of the kind proposed by the Applicants.

G. Effect of the Project. The Project will not be in any way detrimental to the best interests of the public or the City of Boston or to the public safety and convenience and is not inconsistent with the most suitable development of the Project Area neighborhood or of the City. The Project will, in fact, forward the best interests of the City and will constitute a public use and benefit. The Plans of the structure to be rehabilitated within the Project Area have been reviewed by the Design Review Staff of the Authority. The Authority finds that this Project will enhance the general appearance of the area and will furnish much needed low income elderly and family housing in the Brighton section of Boston. The Project will have a positive economic impact on the neighborhood surrounding the Project Area and on the City of Boston. During construction of the Project, the Project general contractor will be required, to the best of its ability, to grant preference in hiring to Boston residents.

H. Environmental Considerations. Pursuant to the provisions of regulations implementing the Massachusetts Environmental Policy Act, 301 CMR 10.32 (3) (h), the Project has been categorically excluded from the filing of any environmental report.

In order to avoid or minimize any damage to the environment, the Authority hereby requires that the applicant comply with the City of Boston Air Pollution Control Commission's Regulations for the Control of Noise and Regulations for the Control of Atmospheric

Pollution during all phases of construction activity. Furthermore, if the rehabilitation involves any abrasive blasting of interior or exterior surfaces, the contractor must submit an application for an Abrasive Blasting Permit to the City of Boston Air Pollution Control Commission prior to initiation of such activity.

I. Minimum Standards. The minimum standares for financing, construction, maintenance and improvement of the Project as set forth in the Application, are hereby adopted and imposed as Rules and Regulations (in addition to those hereinafter adopted and imposed) applicable to this Project for the same period as the Project is subject to the provisions of Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, as amended.

In addition to the minimum standards the Authority hereby requires that the Applicants, prior to obtaining a building permit, (1) enter into a Regulatory Agreement with the Authority pursuant to the requirements of General Laws, Chapter 121A, Section 18C, and containing such other terms and conditions as the Authority may in its discretion deem necessary and appropriate; (2) submit to the Authority for its review and approval all plans and specifications for the Project as the Authority may require and accept such changes and modifications thereto as the Authority may deem necessary or appropriate, and (3) adhere to such design review controls and requirements as the Authority may in its discretion impose.

The carrying out of the Project will not require the grant of a permit for the erection, maintenance and use of a garage within 500 feet of one or more buildings occupied in whole or in part as a public or private school having more than 50 pupils, or as a public or private hospital having more than 25 beds, or as church.

The Project does not involve the construction of units which constitute a single building under the State Building Code and zoning laws, G.L. c. 138.

The carrying out of the Project will involve the rehabilitation of existing housing units which are now occupied by tenants. A comprehensive relocation plan has been developed by the Applicant for the Project and is annexed to the Application as Appendix XII. Such plan is hereby imposed as a condition of 121A approval. Further the Applicant shall, as expeditiously as possible, process and make all relocation payments as appropriate.

J. Zoning Code Deviations. Exhibit N to the Application lists the zoning code deviations requested. For the reasons set forth in the Application and the evidence presented at the hearing, the Authority finds that the deviations attached hereto and incorporated by reference as Exhibit A are necessary for the carrying out of the total project and are therefore granted without substantially derogating from the intent and purposes of the applicable laws, codes, ordinances and regulations respectively.

K. Duration of Period of Tax Exemption. The Applicant requests an extension of twenty five (25) years to the base term of fifteen (15) calendar years for the Project's period of tax exemption pursuant to applicable provisions of chapter 121A.

The Project will receive permanent mortgage financing from GNMA for a loan term of forty (40) years and benefit from mortgage insurance from FHA for the same period. The Project will also benefit from the Section 8 housing assistance program of the United States Department of Housing and Urban Development. Pursuant to this program qualified tenants will receive direct rental subsidies to

cover the cost of Section 8 approved rental charges in excess of 25% of the tenants income, a statutory inclusion for which extension is hereby granted.

L. Decision. For all the reasons set forth in the foregoing report, the Authority hereby approves the undertakings by the Applicant of the Project pursuant to Chapter 121A of the General Laws and Chapter 652 of the Acts of 1960, subject to the provisions as set forth above.

EXHIBIT J

STATEMENT OF PERMISSION FOR DEVIATIONS
FROM THE CITY OF BOSTON ZONING CODE

Applicant requests that the following deviation from the permitted floor area ratio of 1.0 otherwise allowable in the project area be approved by the Authority:

193-213 Kelton Street: 2.86

September 18, 1980

MEMORANDUM

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: CHAPTER 121A APPLICATION OF GOVERNOR APARTMENTS ASSOCIATES

On July 31, 1980, the Authority conducted a public hearing to consider the above-captioned 121A Application.

The Project consists of the acquisition, rehabilitation, operation and maintenance of six parcels of land with the buildings thereon constituting the Project Area, into 87 units of low-income housing for the elderly and families in the Brighton Section of Boston specifically 193 to 213 Kelton Street.

Authority staff has examined the Application and found that it contained sufficient evidence in support of the Project to make those findings and determinations necessary to proceed with the approval of the Project.

It is therefore recommended that pursuant to Chapter 121A of the General Laws, the Authority adopt the Report and Decision approving the Project.

An appropriate Vote follows:

VOTED: That the document presented at this meeting entitled "Report and Decision on the Application of Governor Apartments Associates for the Authorization and Approval of a Project under Massachusetts General Laws (Ter. Ed.) Chapter 121A, as Amended, and Chapter 652 of the Acts of 1960, to be Undertaken and Carried Out by a Limited Partnership Organized Pursuant to M.G.L. c.109 and Approval to Act as an Urban Redevelopment Limited Partnership Under Said Chapter 121A" be and hereby is approved and adopted.

